

BEFORE  
THE PUBLIC SERVICE COMMISSION OF  
SOUTH CAROLINA  
DOCKET NO. 90-30-C - ORDER NO. 90-715 ✓  
JULY 23, 1990

IN RE:	Application of American Public	)	
	Communications, Inc., for a	)	ORDER
	Certificate of Public Convenience	)	GRANTING
	and Necessity and to operate as	)	CERTIFICATION
	a Reseller of Intrastate One Plus	)	
	Long Distance and Operator Services	)	

On February 12, 1990, American Public Communications, Inc. (APC) filed an Application with the Public Service Commission of South Carolina (the Commission) requesting a Certificate of Public Convenience and Necessity to operate as a reseller of intrastate telecommunications services in the State of South Carolina. The intrastate services offered by the Company include resold One Plus Long Distance and Operator Services. The Application was filed pursuant to S.C. Code Ann. §58-9-520, (Cum. Supp. 1989).

On February 26, 1990, the Commission's Executive Director instructed the Company to cause to be published a prepared Notice of Filing once a week for two consecutive weeks in newspaper of general circulation in affected areas. The Notice of Filing indicated the nature of APC's Application and advised all interested parties desiring to participate in the scheduled proceeding of the manner and time in which to file the appropriate pleadings. The Company furnished Affidavits demonstrating that the

Notice of Filing had been duly published in accordance with the instructions of the Executive Director. In addition, the Notice of Filing was published in the State Register.

Thereafter, Petitions to Intervene were filed by Southern Bell Telephone and Telegraph Company (Southern Bell) and Steven W. Hamm, the Consumer Advocate for the State of South Carolina (the Consumer Advocate).

A public hearing relative to the matters asserted in the Company's Application was commenced on June 26, 1990, at 10:30 a.m. in the Commission's Hearing Room, the Honorable Caroline H. Maass, presiding. Robert D. Coble, Esquire, represented APC; Carl F. McIntosh, Esquire, represented the Consumer Advocate; Harry M. Lightsey, III, Esquire, represented Southern Bell Telephone and Telegraph Company; and Sarena D. Burch, Esquire, represented the Commission Staff.

APC presented Scott D. Burns, President of Network Solutions, Inc. (Tariff Consulting Company to APC), to testify in support of its Application.

Southern Bell presented the testimony of C. L. Addis, Staff Manager-Regulatory Matters, to express Southern Bell's concerns over portions of the APC Application. Mr. Addis stated that APC should be subject to the exact terms, conditions and limitations imposed by this Commission on every other carrier providing long distance and alternative operator services in South Carolina. According to witness Addis, this would require APC to block intraLATA calls and to compensate the LEC for any incidental or

accidental intraLATA calls pursuant to Order No. 86-793 issued in Docket No. 86-187-C on August 5, 1986.

Based on the evidence in the record, the Commission makes the following findings of fact and conclusions of law:

1. APC is a non-facilities based reseller of telecommunications services that proposes to provide resold One Plus Long Distance and Operator Services. The services are primarily designed for business and residential users but also includes the transient population (pay phone, hotel, hospital, etc.) usage that occurs with Operator Services. APC maintains its own operators and switching equipment in Texas, Oregon, and Florida.

2. APC has the financial resources to provide adequate telecommunications services to consumers in South Carolina.

3. APC is capable of providing the telecommunications services as described in its Application, in other documents filed with the Commission, and in the testimony of witness Burns.

4. APC should continue to institute its instrument posting program and the APC operator should identify all calls by saying "American Public Communications".

5. The Commission herein adopts a rate design for APC, which includes only a maximum rate level for each intrastate tariff charge; the maximum rate level for operator services being the rate charged by AT&T Communications and the intrastate rates being charged by APC will be no higher than the intrastate rates being charged by AT&T Communications at the time the call is made.

6. APC shall block or switch to the LEC all intraLATA calls which are attempted over its network. If APC incidentally or accidentally completes any intraLATA calls, the LEC should be compensated as ordered by the Commission in Order No. 86-793, issued August 5, 1986 in Docket No. 86-187-C.

7. A rate structure incorporating a maximum rate level with the flexibility for downward adjustment has been previously adopted by this Commission. IN RE: Application of GTE Sprint Communications Corporation, etc., Order No. 84-622, issued in Docket No. 84-10-C, on August 2, 1984.

8. The Commission is conscious of the need for resellers to adjust rates and charges timely to reflect the forces of economic competition, however, rate and tariff adjustments below the approved maximum level should not be accomplished without notice to the Commission and to the public. Therefore, subject to the directive of Paragraph 5 herein, APC shall incorporate provisions for filing of proposed rate changes and publication of notice of such changes two (2) weeks prior to the effective date of such changes, and affidavits of publication must be filed with the Commission.

9. Any proposed increase in the maximum rate level reflected in the tariffs of APC, which should be applicable to the general body of subscribers would constitute a general ratemaking proceeding which would be treated in accordance with the notice and hearing provisions of S.C. Code Ann., §58-9-540 (Cum. Supp. 1989).

10. APC is subject to any applicable access charges pursuant to Commission Order No. 86-584 in which the Commission determined that the reseller should be treated similarly to facility-based carriers for access charge purposes.

11. APC is required to file on a yearly basis surveillance reports with the Commission as required by Order No. 88-178 in Docket No. 87-483-C. The form for filing the surveillance report is attached and referenced as Attachment A.

12. For intrastate purposes, APC may only resell the toll service of another facility based telecommunications carrier certified by the Commission with tariffs on file reflecting the services available for resale.

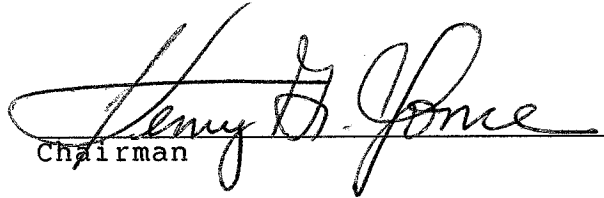
13. The Commission has determined that APC is fit, willing and able to provide the applied-for service and it is in the interest of the public to grant APC a Certificate of Public Convenience and Necessity subject to the findings herein and specifically the finding that APC will charge intrastate operator service rates no higher than the intrastate operator service rates charged by AT&T Communications at the time the call is made.

14. APC is ordered to file tariffs to reflect the findings herein for the Commission's approval within thirty (30) days of the date of this Order.

BY ORDER OF THE COMMISSION:

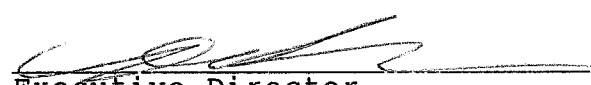
VICE

Chairman



ATTEST:

Deputy

  
Executive Director

(SEAL)

ATTACHMENT A

ANNUAL INFORMATION ON SOUTH CAROLINA OPERATIONS

FOR INTEREXCHANGE COMPANIES AND AOS'S

(1) SOUTH CAROLINA OPERATING REVENUES FOR THE 12 MONTHS ENDING DECEMBER 31 OR FISCAL YEAR ENDING \_\_\_\_\_.

(2) SOUTH CAROLINA OPERATING EXPENSES FOR THE 12 MONTHS ENDING DECEMBER 31 OR FISCAL YEAR ENDING \_\_\_\_\_.

(3) RATE BASE INVESTMENT IN SOUTH CAROLINA OPERATIONS\* FOR 12 MONTHS ENDING DECEMBER 31 OR FISCAL YEAR ENDING \_\_\_\_\_.

\*THIS WOULD INCLUDE GROSS PLANT, ACCUMULATED DEPRECIATION, MATERIALS AND SUPPLIES, CASH WORKING CAPITAL, CONSTRUCTION WORK IN PROGRESS, ACCUMULATED DEFERRED INCOME TAX, CONTRIBUTIONS IN AID OF CONSTRUCTION AND CUSTOMER DEPOSITS.

(4) PARENT'S CAPITAL STRUCTURE\* AT DECEMBER 31 OR FISCAL YEAR ENDING \_\_\_\_\_.

\*THIS WOULD INCLUDE ALL LONG TERM DEBT (NOT THE CURRENT PORTION PAYABLE), PREFERRED STOCK AND COMMON EQUITY.

(5) PARENT'S EMBEDDED COST PERCENTAGE (%) FOR LONG TERM DEBT AND EMBEDDED COST PERCENTAGE (%) FOR PREFERRED STOCK AT YEAR ENDING DECEMBER 31 OR FISCAL YEAR ENDING \_\_\_\_\_.

(6) ALL DETAILS ON THE ALLOCATION METHOD USED TO DETERMINE THE AMOUNT OF EXPENSES ALLOCATED TO SOUTH CAROLINA OPERATIONS AS WELL AS METHOD OF ALLOCATION OF COMPANY'S RATE BASE INVESTMENT (SEE #3 ABOVE).